## OPEN MEETING AGENDA ITEM

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July 12, 2014

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Arizona Corporation Commission
Utilities Division
1200 West Washington Street
Phoenix, AZ 85007-2996

2014 JUL 21 P 3: 27

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Arizona Corporation Commission DOCKETED

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Dear Chairman: Chairman BOB STUMP, Commissioners GARY PIERCE, BRENDA BURNS, BOB BURNS and SUSAN BITTER SMITH and Staff

RE: Docket Nos. W-01303A-09-0343 and SW-01303A-09-0343

ORIGINAL

As you have an open hearing on the above Docket scheduled for July 22, 2014, We Russell Ranch residents are requesting a review of our extremely high Epcor water/wastewater rates as part of this hearing..

As many of you probably remember from the hearings in 2009-10, our developer built the treatment plant here in Russell Ranch before having to turn it over to Arizona American Water (now Epcor). The developer recouped his cost of this plant by adding prorated amounts to the selling price of each lot. Therefore as purchasers of lots in Russell Ranch, we paid for this plant and we understood we would be paying only for the future operation and maintaince of this plant.

Since the changing of the Agua Fria's rates at the above hearings (which many of us protested and asked for some relief) our water/wastewater rates have gone completely out of reason and many times more than rates in almost anywhere else in Arizona.

This is having a huge impact on the value of our properties and any potential buyers. Some of the bills from Epcor for water/wastewater were over \$800 for just last month. Would you buy this property when realizing the cost of maintaining landscaping and pools? This does not take in the costs passed on to us through the HOA for the common areas. These costs have become such a hardship for many residents they have had to take out grass and bit by bit many plants are dying from lack of water since the wastewater bill is based on the volume of water that comes to the property. Ironically, the majority of water used is for outdoor plantings. The run off from gardens does not go through the waste water treatment plant. Thus we are paying for a service we do not use. Furthermore, landscaping (especially trees) serves to enhance the ecology. Rising water/waste rates not only depress property values but actually damage the ecosystem.

As a single person, I use very little water compared to families, yet I am paying higher costs than most families. This is extremely unfair. Conserving water has little to no effect on the water bill.

At the 2010 hearing, you requested Epcor do a cost analysis of the operation of the Russell Ranch treatment plant. Please review these costs and let us have some relief. We paid for our treatment plant once, and we should not pay for it again nor should we be paying for treatment plants in other areas that we do not use. It is only common sense that users should be paying for the plant they use.

Another concern is our water supply. Who approved building the \$63.9 million water treatment plant that is supplying us with "crappy" water that we are being forced to pay unreasonable rates for when wells (we paid for) that was to supply us for 99 years when our property was developed?

It is my understanding that this plant was built against the advice of city planners, stating that since the economy declined there would be little use for this plant. Yet it was built. Before selling to Epcor, Arizona American Water had to demonstrate 60% usage. To do that, they rerouted Russell Ranch well water – which we paid for – and substituted it with the (inferior) city water. This was done without our (owners) consent. Maybe it's time we start getting some good water from these wells. We know some of this was done before many of you were on the Commission but it's time to start looking at alternatives.

Thanks for taking your time to review this matter thanks in advance for your help. If we can be of any assistance on this, please contact us.

Sincerely.

Catherine A. Morris

18040 West Montebello Ave Litchfield Park, AZ 85340

624-444-9950

Cell: 508-596-5010